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COMPTROLLER'S MEMORANDUM NO. 1998-35

TO: Heads of Departments

ATTN: Payroll Offices

SUBJECT: Payroll Considerations at End of Calendar Year 1998

Departmental payroll staffs are urged to clear all pending payroll adjustments as soon as possible to minimize correcting 1998 wage and tax statements after the end of the calendar year.

Payroll checks to be cancelled, reimbursements of overpayment, and salary-workers' compensation type adjustments should be submitted to DAGS Central Payroll immediately by the employing departments and agencies. It is suggested that departments with decentralized payroll activities emphasize the need throughout the department to route all cancellations and reimbursements to the appropriate central offices without delay.

If the check cancellations, reimbursements of overpayments, and salary-workers' compensation type adjustments are received at DAGS Central Payroll by 8:00 a.m. on Thursday, December 31, 1998, the 1998 wage and tax statements to be released to the employees on January 29, 1999 will reflect the adjusted amounts.

If the payroll adjustments are received after the above deadline, the employees affected must be informed that corrected 1998 wage and tax statements will be released via the department only after the adjustment entries have been effected in the payroll system and the necessary work involved in preparing corrected wage and tax statements has been completed. Payroll adjustments for cash recovery of overpayment which are received by DAGS Central Payroll AFTER the above deadline MUST include State and Federal income taxes.

DISTR: AIR-AF, HAR-SF, HWY-SF, BUS-F

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Although this memorandum is a normal year-end reminder because departments and agencies are generally aware of the need for timely payroll adjustments at the end of any calendar year, departments must realize that the currently scheduled normal turnaround time for processing payroll adjustments may be delayed because of: a) the heavy volume of payroll work scheduled for the first few months in calendar year 1999; b) the additional work generated with the BU 07 payroll processing; and c) the reduction of staff in Central Payroll. With your help in assuring that this reminder is circulated to the appropriate offices in your department or agency, the need to issue corrected statements can be held to a minimum. Your cooperation is greatly appreciated.


RAYMOND H. SATO
State Comptroller